To: Phil Hardy[philh@strategies360.com]

From: Bangerter, Layne

Sent: Fri 5/12/2017 3:13:12 PM

Subject: FW: Washington Post: Obama blocked this controversial Alaskan gold mine. Trump just gave it

new life., 5/12/17

From: McGonagle, Kevin

Sent: Friday, May 12, 2017 9:30 AM

To: AO OPA OMR CLIPS <AO_OPA_OMR_CLIPS@epa.gov>

Subject: Washington Post: Obama blocked this controversial Alaskan gold mine. Trump just

gave it new life., 5/12/17

Washington Post

https://www.washingtonpost.com/news/energy-environment/wp/2017/05/12/obama-blocked-this-controversial-alaskan-gold-mine-trump-just-gave-it-new-life/?utm_term=.6af08980e2fa

Obama blocked this controversial Alaskan gold mine. Trump just gave it new life.

By Juliet Eilperin and Brady Dennis 5/12/17 7:37 AM

The Environmental Protection Agency has reached a legal settlement with a Canadian company hoping to build a massive gold, copper and molybdenum mine in Alaska's Bristol Bay watershed, clearing the way for the firm to apply for federal permits.

The settlement reached late Thursday between the EPA and the Pebble Limited Partnership, a subsidiary of Northern Dynasty Minerals Ltd., could revive a controversial project that was effectively scuttled under the Obama administration. And it underscores how President Trump's commitment to support mining extends far beyond coal, to gold, copper and other minerals.

While the move does not grant immediate approval to the Pebble Mine project, which will have to undergo a federal environmental review and also clear state hurdles before any construction takes place, it reverses the agency's 2014 determination that a large-scale mine in the area be barred because it would imperil the region's valuable sockeye salmon fishery.

In a statement, EPA Administrator Scott Pruitt said that the agreement "will not guarantee or prejudge a particular outcome, but will provide Pebble a fair process for their permit application and help steer EPA away from costly and time-consuming litigation."

"We are committed to due process and the rule of law, and regulations that are 'regular'," said EPA Administrator Scott Pruitt. "We understand how much the community cares about this issue, with passionate advocates on all sides ... We are committed to listening to all voices as this process unfolds."

A coalition of fishing operators, native Alaskans, environmentalists and local businesses have fought the mine proposal for more than a decade, ever since Northern Dynasty Minerals began exploring for minerals in 2004. While this area in southwestern Alaska contains a reservoir of gold worth an estimated \$120 billion, its pockmarked lakes and tributaries feed into the headwaters of Bristol Bay, home to a fishery that generates \$500 million a year.

In 2014 the EPA invoked a rarely used clause of the Clean Water Act, 404(c), to issue a proposed determination that the company could not apply to the Army Corps of Engineers for any permits because a massive mine could have "significant" and potentially "catastrophic" impacts on the region.

Alannah Hurley, executive director of the United Tribes of Bristol Bay, said in an interview that opponents of the mine "are outraged that this is happening."

"If there's damage to the watershed and the fisheries, then it would be devastating to our identity as indigenous people," Hurley said, adding that tribes and other local residents "invited" the EPA to intervene on the issue. "For the company to paint it as federal intervention is completely misleading. The people of Bristol Bay basically cried out to EPA to help us."

The company has sued EPA on three different fronts, arguing that the agency violated the Clean Water Act, colluded with outside groups to reach its determination and violated the Freedom of Information Act. The suit concerning the outside groups, filed under the Federal Advisory Committee Act, was the one settled Thursday in federal court in Alaska.

Under the terms of the agreement, EPA will begin the process of withdrawing its proposed determination, which will be subject to public notice and comment. It will not take the next step in the process until 48 months from the settlement or until the Army Corps of Engineers issues its final environmental impact statement, whichever comes first.

Northern Dynasty Minerals, which has never filed federal permit applications for Pebble Mine, would have to do so within 30 months.

"From the outset of this unfortunate saga, we've asked for nothing more than fairness and due process under the law — the right to propose a development plan for Pebble and have it assessed against the robust environmental regulations and rigorous permitting requirements enforced in Alaska and the United States," the company's chief executive, Ron Thiessen, said in a statement early Friday. "Today's settlement gives us precisely that, the same treatment every developer and investor in a stable, first world country should expect."

The firm's stock price has already been bolstered by Trump's election victory. After falling to as

low as 25 cents a share at one point last year, the price soared after the November election, jumping 25 percent overnight and reaching as high as \$3.18 earlier this year. The company has touted the likely benefits of having a new, friendlier administration in office. A series of investor presentations by Thiessen included a PowerPoint slide titled "Trump Election Victory — A Return to Normal."

While many congressional Republicans, including Sen. Lisa Murkowski (Alaska) and House Science Committee Chairman Lamar Smith (R-Tex.) oppose what they've described as EPA's "preemptive" veto of the project, public opinion in Alaska on the mining proposal remains split.

Last fall a ballot measure passed with more than 65 percent that would require the state legislature to pass a measure approving any large-scale mine in the Bristol Bay region, and they would have to determine that such an operation would not imperil the area's sockeye salmon fishery.

Alaska Gov. Bill Walker, an independent, has said that constructing Pebble Mine "presents formidable challenges" given the valuable fishery and the rural village life that depends on it.

"Based on the information available to me now, I do not support the Pebble Mine," reads a statement from his 2014 campaign site.

Taryn Kiekow Heimer, a senior policy analyst at the Natural Resources Defense Council, said in an interview that "the opposition in Alaska has grown stronger" since EPA blocked the mine's construction.

But in Washington, the political climate has shifted.

Administration officials are reopening the question of whether to construct Pebble Mine, and may even reconsider the Interior and Agriculture Departments' move in December denying the company's request to renew a lease on the southwest border of Minnesota's Boundary Waters Canoe Area Wilderness.

In one of the last big mining decisions of the Obama era, the two departments rejected Twin Metals' lease renewal bid, and set in motion a formal review to examine whether all mining activities in 234,000 acres abutting the wilderness should be barred for the next 20 years.

Minnesota Reps. Rick Nolan (D) and Tom Emmer (R) met with Interior Secretary Ryan Zinke on April 26 to discuss whether to reverse that decision, according to individuals who asked for anonymity to discuss a private conversation.

"I am optimistic that we will be able to work with the new administration to allow this initiative to move forward," Nolan said in a statement Thursday. "Having met with all the involved agencies and parties, I know renewing these leases is the sensible and correct thing to do."

And Hal Quinn, president and CEO of the National Mining Association, said in a statement that his industry stands to "benefit most from the administration's willingness to lift the regulatory

burden that has impaired our ability to compete in the energy market."

That will ease restrictions on "access and development of much needed domestic minerals and metals," Quinn added, which "are needed for everything from infrastructure and manufacturing to cutting edge technologies."

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